Contributory Pension Scheme

1979. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have introduced Contributory Pension Scheme to such employees who are new joining service in Government departments throughout the country and withdraw pensionary benefits roughly after rendering service for more than three decades in a normal case;

(b) whether private companies have been assigned this job with job with no liability or almost nil liability on the Central Government;

(c) whether such scheme is likely to be introduced for the legislators throughout the country;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) A new restructured defined contribution pension system is mandatory for all new Central Government recruits (excluding Armed Forces, in the first stage) with effect from January 01, 2004. The New Pension System (NPS) will be available, on a voluntary basis, to all persons including self-employed professionals and others in the unorganized sector. However, mandatory programmes under the Employees' Provident Fund Organisation (EPFO) and other special provident funds continue to operate as per the existing system under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and other special Acts governing these funds. Workers in the organised sector would continue to be governed under these Acts. The NPS envisages that contribution will be invested by pension funds in accordance with specified investment guidelines.

There is no proposal before the Government to introduce such a scheme for legislators on a mandatory basis.

I.T. Exemption to Religious Institutions

1980. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) What are the guidelines in the matter of granting Income Tax exemption to religious institutions;